

**Frankston Business Chamber
Incorporated**

ABN 73 324 996 442

Financial Statements
For the year ended 31 December 2012

Frankston Business Chamber Incorporated
ABN 73 324 996 442

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Frankston Business Chamber Incorporated
ABN 73 324 996 442
Committee's Report
For the year ended 31 December 2012

Your committee members submit the financial accounts of the Frankston Business Chamber Incorporated for the financial year ended 31 December 2012.

Committee Members

The names of committee members at the date of this report are:

Peter Patterson (President)
Max Coulthard (Treasurer)
Jacquie Carroll (Vice President)
Sam Jackson
Robyn Anderson
Diane Fisher
Alan Chambers

Principal Activities

The principal activities of the association during the financial year were: Business Development.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The deficit from ordinary activities after providing for income tax amounted to

Year ended 31 December 2012	Year ended PrevYearEnd
\$ (7,195)	\$ (7,168)

Signed in accordance with a resolution of the Members of the Committee on :

Peter Patterson (President)

Max Coulthard (Treasurer)

The accompanying notes form part of these financial statements.

Frankston Business Chamber Incorporated

ABN 73 324 996 442

Income and Expenditure Statement For the year ended 31 December 2012

	2012	2011
	\$	\$
Income		
Interest received	1,348	978
Member subscriptions - Current year	50,398	50,484
Donations received	445	3,931
Major sponsorship	28,500	19,500
Golf day		
Entry fees	4,400	10,630
Sponsorship	2,891	2,000
	<hr/>	<hr/>
	7,291	12,630
Advertising	700	1,600
Network catering income	-	445
Women connect function networking	-	4,144
Other Sponsorship	1,700	1,500
Trade Expo	3,800	13,174
Trivia Night	-	1,270
Fund Raising	-	553
Total income	<hr/>	<hr/>
	94,182	110,209

Expenses

Advertising and promotion	1,613	330
Awards	2,400	5,400
Bad Debts	300	-
Bank Fees And Charges	563	678
Body corp fees	-	212
Bulk magazine subscription	-	600
Depreciation	518	1,037
Donations	4,930	3,000
Frankston Tourism Membership	150	150
Golf day expenses	5,588	7,780
Holiday pay	218	2,826
Insurance	1,980	2,000
Light & power	-	361
Newsletter and photocopying	2,970	3,235
Fundraising Expenses	-	387
Office Supplies	484	943
Post office box	93	86

The accompanying notes form part of these financial statements.

Frankston Business Chamber Incorporated

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Income and Expenditure Statement For the year ended 31 December 2012

	2012	2011
	\$	\$
Postage	2,538	2,337
Rates & land taxes	-	399
Rent on land & buildings	6,600	7,187
Software	488	249
Staff training	574	137
Subscriptions	185	3,384
Superannuation	5,363	3,170
Telephone	1,210	1,758
Trade Expo Expenses	640	11,392
Trivia Night Expenses	-	192
Travel, accom & conference	-	808
Travel allowances	1,200	1,000
Wages	59,585	51,445
Women connect expenses	50	4,046
Workcover	631	544
Sundry Expenses	506	300
Total expenses	<u>101,377</u>	<u>117,377</u>
Profit (loss) from ordinary activities before income tax	(7,195)	(7,168)
Income tax revenue relating to ordinary activities	-	-
Net profit (loss) attributable to the association	(7,195)	(7,168)
Total changes in equity of the association	(7,195)	(7,168)
Opening retained profits	9,046	16,214
Net profit (loss) attributable to the association	<u>(7,195)</u>	<u>(7,168)</u>
Closing retained profits	<u>1,851</u>	<u>9,046</u>

The accompanying notes form part of these financial statements.

Frankston Business Chamber Incorporated

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Balance Sheet As At 31 December 2012

	Note	2012 \$	2011 \$
Current Assets			
Cash assets	3	44,742	47,751
Receivables	4	550	1,570
Other	5	426	-
Total Current Assets		45,718	49,321
Non-Current Assets			
Property, plant and equipment	6	520	1,038
Total Non-Current Assets		520	1,038
Total Assets		46,238	50,359
Current Liabilities			
Payables	7	550	1,958
Current tax liabilities		-	1,336
Provisions	8	6,778	6,560
Other	9	37,060	31,460
Total Current Liabilities		44,388	41,313
Total Liabilities		44,388	41,313
Net Assets		1,851	9,046
Members' Funds			
Retained profits		1,851	9,046
Total Members' Funds		1,851	9,046

The accompanying notes form part of these financial statements.

Frankston Business Chamber Incorporated

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Notes to the Financial Statements

For the year ended 31 December 2012

Note 1: Summary of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act of Victoria. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Plant and Equipment (PE)

The depreciable amount of all PE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

(b) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(c) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reasonably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(e) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

The Association is not registered for GST, all revenue is stated at gross amounts.

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Notes to the Financial Statements

For the year ended 31 December 2012

(f) Goods and Services Tax (GST)

The Association is not registered for GST. Expenses and assets are accordingly recognised inclusive of any GST amounts that may have been paid.

(g) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Note 2: Revenue

Operating Activities:

Interest revenue	1,348	978
Other operating revenue:		
Member subscriptions - Current year	50,398	50,484
Donations received	445	3,931
Major sponsorship	28,500	19,500
Entry fees	4,400	10,630
Sponsorship	2,891	2,000
Advertising	700	1,600
Network catering income	-	445
Women connect function networking	-	4,144
Other Sponsorship	1,700	1,500
Trade Expo	3,800	13,174
Trivia Night	-	1,270
Fund Raising	-	553
	<u>94,182</u>	<u>110,209</u>

Note 3: Cash assets

Bank accounts:		
Cash At Bank	21,464	25,601
Undeposited funds	-	220
Term Deposit	23,278	21,930
	<u>44,742</u>	<u>47,751</u>

Frankston Business Chamber Incorporated

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Notes to the Financial Statements

For the year ended 31 December 2012

Note 4: Receivables

Current

Trade debtors	550	1,570
	<u>550</u>	<u>1,570</u>

Note 5: Other Assets

Current

Prepayments	426	-
	<u>426</u>	<u>-</u>

Note 6: Property, Plant and Equipment

Leased plant and equipment:

- At cost	2,435	2,435
- Less: Accumulated amortisation	(1,915)	(1,397)
	<u>520</u>	<u>1,038</u>
	<u>520</u>	<u>1,038</u>

Note 7: Payables

Unsecured:

- Trade creditors	-	1,958
- Other creditors	550	-
	<u>550</u>	<u>1,958</u>
	<u>550</u>	<u>1,958</u>

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Notes to the Financial Statements

For the year ended 31 December 2012

Note 8: Provisions

Current

Sundry provisions	<u>6,778</u>	<u>6,560</u>
	<u>6,778</u>	<u>6,560</u>

There were 2 employees at the end of the year

Note 9: Other Liabilities

Current

Advance payments	<u>37,060</u>	<u>31,460</u>
	<u>37,060</u>	<u>31,460</u>

Frankston Business Chamber Incorporated

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Statement of Cash Flows

For the year ended 31 December 2012

	2012	2011
	\$	\$
<hr/>		
Cash Flow From Operating Activities		
Receipts from customers	93,554	108,858
Payments to Suppliers and employees	(97,911)	(116,837)
Interest received	1,348	978
Net cash provided by (used in) operating activities (note 2)	<u>(3,009)</u>	<u>(7,001)</u>
Net increase (decrease) in cash held	(3,009)	(7,001)
Cash at the beginning of the year	<u>47,751</u>	<u>54,752</u>
Cash at the end of the year (note 1)	<u><u>44,742</u></u>	<u><u>47,751</u></u>

The accompanying notes form part of these financial statements.

Frankston Business Chamber Incorporated

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Statement of Cash Flows

For the year ended 31 December 2012

2012

2011

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash At Bank	21,464	25,601
Undeposited funds	-	220
Term Deposit	23,278	21,930
	<u>44,742</u>	<u>47,751</u>

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Operating Profit After Income Tax

Operating profit after income tax	(7,195)	(7,168)
Depreciation	518	1,037
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	1,020	(373)
(Increase) decrease in prepayments	(426)	-
Increase (decrease) in trade creditors and accruals	(1,958)	(1,722)
Increase (decrease) in other creditors	6,150	(1,624)
Increase (decrease) in sundry provisions	(1,118)	2,849
Net cash provided by (used in) operating activities	<u>(3,009)</u>	<u>(7,001)</u>

The accompanying notes form part of these financial statements.

Frankston Business Chamber Incorporated

ABN 73 324 996 442

Independent Audit Report to the Members

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Frankston Business Chamber Incorporated (the association), which comprises the Statement by Members of the Committee, Income and Expenditure Statement, Balance Sheet, notes comprising a summary of significant accounting policies and other explanatory notes for the financial year ended 31 December 2012.

Committee's Responsibility for the Financial Report

The committee of Frankston Business Chamber Incorporated are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the Associations Incorporation Act of Victoria 1981 and is appropriate to meet the needs of the members. The committee's responsibilities also includes such internal control as the committee determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Frankston Business Chamber Incorporated as at 31 December 2012 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act of Victoria 1981.

Frankston Business Chamber Incorporated

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Independent Audit Report to the Members

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Frankston Business Chamber Incorporated to meet the requirements of the Associations Incorporation Act of Victoria 1981. As a result, the financial report may not be suitable for another purpose.

Signed on :

Gregory Waterland, Principal
Flinders Partners Group
Level 1, 405 Nepean Highway Frankston

Frankston Business Chamber Incorporated

ABN 73 324 996 442

Statement by Members of the Committee

For the year ended 31 December 2012

The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents fairly the financial position of Frankston Business Chamber Incorporated as at 31 December 2012 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

Peter Patterson (President)
President

Max Coulthard (Treasurer)
Treasurer

Frankston Business Chamber Incorporated

ABN 73 324 996 442

Certificate by Member of the Committee

For the year ended 31 December 2012

I, Peter Patterson (President) , and I, Max Coulthard (Treasurer) certify that:

1. We are members of the Committee of Frankston Business Chamber Incorporated.
2. We attended the annual general meeting of the association held on .
3. We are authorised by the attached resolution of the Committee to sign this certificate.
4. This annual statement was submitted to the members of the association at its annual general meeting.

Peter Patterson (President)
Committee Member

Max Coulthard (Treasurer)
Committee Member